



Advantages:

- Helps transition acquisition culture to “Performance-based” environment
- Fosters Government / Industry partnership
- Allows contractors to use “best” business & manufacturing practices to improve the quality and ingenuity of products & services
- Potentially results in instant savings
- Decreased prices for future contracts (most efficient use of program dollars)
- Eliminates unnecessary--and often redundant, DOD requirements
- Reduces government oversight
- Helps contractors adopt a “design anywhere build anywhere” philosophy
- Potentially a “win-win” situation for government and industry

Challenges:

- Don’t expect instant savings
- Less control over contractor processes
- Increased program risks
- Cultural resistance to change
- Selective applicability (is not useful in “every” acquisition scenario)

Overarching SPI Philosophy

In conforming to the tenets of acquisition reform, increased risk is unavoidable for both government and industry. The ability of each Program Manager and acquisition professional to “manage versus eliminate” risk will be the key to the future success of SPI, and to the overarching goal of partnering with industry.